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TRANSCRIPT OF BROADCAST

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What has already been spent in so-called strengthening our national security has done nothing of the sort, but rather has been wasted and squandered in the most ridiculous project, and that goes for the foreign aid development loan, aid loans, as well as it does for the outright grants. In any typical case it is a hoax and a fraud to call them loans at all. They are about the most prominent loans that finance has ever seen, and the countries to which they go, the countries to which they are made, consider them as such. They make no pretenses about that fact. Neither do we, outside of the country.

There was, for example, a \$200,000,000 loan to India a short while back, which was represented to the American people as a legitimate loan, because it was known that the American public would blow its top at any suggestion that we give straight foreign aid to Nehru, who has sided against us and with Soviet Russia in every issue that has ever come before the United Nations. So instead of a gift we made this \$200,000,000 loan to Mr. Nehru. This was never reported in the American press, but when Indian Premier Nehru accepted the "loan," he made the statement that it would be repaid in, and I use his exact word, friendship. There is no evidence that there has been any of that, and there certainly has been no evidence of any repayment in money. It all boils down to the simple fact that the entrenched bureaucracy of government, in this case the State Department, regards the American public as an unfortunate encumbrance which has to be tolerated, and, in order for the bureaucrats to do what they want to do, they have to arrange things so the public will not know what is really going on.

Getting back to Mr. Dillon, he does not have any real factual information on his own which he has gone out and collected and evaluated objectively for better or for worse and from which he has reached a considered conclusion. He has just accepted some carefully screened and deviously worded purported information and opinions by those in the bureaucratic machinery who wanted to use him to get more money for them out of Congress to spend, and, if he only knew the truth, they regard him as an unavoidable encumbrance, too, a sort of inescapable affliction which a meddling and busybody Congress has imposed upon them. Do you realize ladies and gentlemen this is the crux of the whole thing, if Mr. Eisenhower only had

the acuity to see it, or someone to call it to his attention. Do you realize that in all of this vast, sprawling, maudlin, babbling, amorphous idiot of a thing we call government, there is not a single agency, not a single bureau, not a single soul who is charged with responsibility for seeing whether it or any part of it or any individual in it is operating efficiently, whether it is really necessary to spend the money that is being spent in order to produce the results that are produced, whether the people who are employed by government know their jobs and are competent to perform them, or whether they are free-loading incompetents who bungle one assignment and then get transferred to another position to bungle that one too.

There is the Bureau of the Budget to be sure, which is nothing in the world but a clearing house for the budget requests that the various departments and agencies send in to the White House. It has neither the inclination nor the equipment in personnel or in philosophy to go behind these requests in any probative quest for information. To all practical purposes it merely edits the stuff it receives, puts it together in one vast volume, has the volume printed at the Government Printing Office, and that's that. There also is the General Accounting Office, the creature and direct servant of Congress, which is supposed to check on the purse strings and police the expenditures. Unfortunately, however, that policing confines itself to a matter of simple accounting. They check to make sure that the money appropriated by Congress has been spent according to the technical terms of the laws for which it was earmarked, and that is all.

To make matters worse, so far as the General Accounting Office is concerned, several agencies, including the CIA and the National Security Agency, have conned the President into convincing Congress into exempting them from any audit by the General Accounting office at all, so in their cases there is not even a check on whether the money is being properly spent or not. The excuse is that to audit their funds might disclose clues about their operation and their personnel and might embarrass them in their secret work, and this becomes a sort of a fanatical religion with them, to the extent that they become almost hysterical if they are asked to account for anything. They say they make financial accounting reports to the President. You know exactly how much that means. The President never sees them, he doesn't have time to. If he did, he wouldn't know what he was reading, except in some total figures he might be able to tell whether the addition and subtraction is correct, but there it ends. Not a single agency or bureau or individual in all of the government assigned to do any inspection of actual performance for the money that is spent, and a civil service system by which everybody protects everybody else and the motto is live and let live.

The foreign aid official who was responsible for the outrageous squandering of more than \$200,000,000 in Laos and the Far East, most of which went to line the pockets of Laotian politicians and their fair-haired friends, was finally brought back home, and an outraged Congress exposed what had gone on. The Foreign Aid Administration tried to cover up with a lot of half truths and outright falsifications, but the House Appropriations Committee finally got to the bottom of the thing and brought the facts to light.

The man who had been in charge of the foreign aid program and who is responsible for the scandals there in Laos was a State Department Foreign Service career employee named Carter DePaul. If he worked for General Motors or the Pennsylvania Railroad or Macey's Department Store, he would have been fired and forever banned from any employment again, but Mr. Carter DePaul was not fired. When he was brought back to Washington, he was promoted to deputy assistant director of the whole foreign aid program, specifically in charge of the whole Far East. There wasn't anybody to fire him. There is no way to fire a civil service or a foreign service employee of the United States Government for incompetence or failing to do his job, or even loafing on his job, and, furthermore, nobody cares. If you begin criticizing some fellow civil service employee, then somebody is going to begin criticizing you, and that upsets the whole racket. Such is the personable Undersecretary of State Mr. Dillon, this afternoon.

Such an amount could be spent wisely in stimulating development abroad and would be warranted in considerations of our national security. The President talks about economy and how the Democratic radicals want to spend the nation into bankruptcy, but nobody makes the first effort to see what already is going on in the way of waste, squandering in the government as it is now, and there is not even any machinery through which it can be done. As to the latter, the entrenched bureaucracy of civil and foreign service have seen very carefully to that.